

PLEDGE AND SECURITY AGREEMENT

This PLEDGE AND SECURITY AGREEMENT (“Agreement”) is entered into by and among **Vector Holdings, LLC**, an Idaho limited liability company, and on behalf of its successors and assigns (“Debtor”) and **Israel Ray**, an unmarried man, and on behalf of his estate, heirs, successors and assigns (the “Secured Party”), with reference to the following:

RECITALS

A. Effective _____ 2022 (the “Effective Date”), Debtor has executed in favor of Secured Party a Promissory Note in the principal amount of Three Hundred Sixty-Five Thousand and 00/100 Dollars (\$365,000.00) (the “Note”) as payment for all of the Secured Party’s Ownership Interest and/or shares of **Atlanta Power Company, Inc.**, an Idaho corporation (the “Company”), as more particularly described in that certain Purchase and Sale Agreement dated contemporaneously herewith between Debtor and Secured Party incorporated herein by this reference (the “Ownership Interest”).

B. To provide security for payment of the Debtor’s Note, Debtor has agreed to execute this Agreement to pledge all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity for Debtor’s performance of the terms and conditions of the Note, which is attached hereto as Exhibit A, and incorporated herein by this reference.

C. In accordance with the Note, Debtor and Secured Party enter into this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing premises and recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and with the intent to be legally bound, Debtor and Secured Party agree as follows:

1. Recitals. The foregoing Recitals are true and correct and are incorporated herein by this reference.

2. Grant of Sale Interest.

(a) Debtor pledges and grants to Secured Party its entire interest and rights to all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity.

(b) Subject to the notice and cure provisions of Section 4 below, if Debtor defaults on its repayment of its obligations under the Note, Debtor shall surrender all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity to Secured Party, Notwithstanding the foregoing, upon Debtor’s default, Secured Party, the right to pursue all other remedies available at law against Debtor, and to recover all sums due and owing Secured Party under the terms of the Note.

(c) This Agreement shall serve as a “Security Agreement” with respect to all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sales of electricity . Debtor and Secured Party shall, with respect to only the secured interest in all income in excess of Idaho Public Utility Commission approved expenses derived from the Company’s sale of electricity, have all of the rights and remedies available as set forth in the Idaho Uniform Commercial Code, and the exercise of any such rights shall be in addition to, and not in lieu of, all other legal or equitable rights. If applicable, Debtor agrees to execute and deliver such “Financing Statements,” and such further assurances as Secured Party may, from time to time, reasonably consider necessary to create, perfect and preserve the security interest granted herein, and Secured Party may cause such statements and assurance to be recorded and filed, at such times and places, as may be required or permitted by law to so create, perfect and preserve such security interest.

3. Term of the Pledge. The term of this Agreement shall commence as of the Effective Date and will continue until Debtor fully satisfies the terms and conditions of the Note and this Agreement.

4. Notice of Default and Opportunity to Cure.

(a) Prior to the exercise of any rights and remedies under this Agreement, which are triggered by Debtor’s default of any term and condition of this Agreement or the Note, Secured Party will provide written notice to Debtor of the alleged default and provide Debtor with thirty (30) days, effective from the date of delivery or mailing of said written notice, to effect a cure of the default. If Debtor fails to cure the default within said thirty (30) day period, Secured Party may proceed to exercise any right or remedy available to him under the terms of the Note, this Agreement, and applicable law.

(b) Notice of any default shall be sent to Debtor at:

Vector Holdings, LLC

5. Attorney’s Fees. In any action brought to enforce the terms and conditions of this Agreement, the prevailing party shall be entitled to recover its reasonable attorney’s fees and costs from the non-prevailing party.

6. Severability. If any term, covenant, condition or agreement of this Agreement or the application of it to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Agreement or the application of such term, covenant, condition or agreement to persons or circumstances, other than those as to which it is invalid or unenforceable, shall not be affected thereby, and each term, covenant, condition or agreement of this Agreement shall be valid and shall be enforced to the extent permitted by law.

7. Counterparts; Facsimile. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but together which shall constitute one and the same instrument. An executed version of this Agreement which has been signed and

transmitted by facsimile or other electronic or mechanical means shall be deemed an original. At the request of either party, the parties will confirm a facsimile transmission of an executed document by signing an original document.

8. Miscellaneous.

(a) This Agreement constitutes the entire agreement between Debtor and Secured Party with respect to its subject matter.

(b) This Agreement may be modified only in a writing signed by both Debtor and Secured Party.

(c) This Agreement shall be binding upon and shall inure to the benefit of Debtor and Secured Party and their respective heirs, representatives, successors and assigns.

(d) This Agreement shall be governed by and construed by the laws of the state of Idaho.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of this 26th day of August.

“DEBTOR”

VECTOR HOLDINGS, LLC, an Idaho limited liability company

By: _____
Nicholas Jones, President

“SECURED PARTY”

Israel Ray

EXHIBIT A
PROMISSORY NOTE

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